

SOFTWARE LICENSE AGREEMENT

This SOFTWARE LICENSE AGREEMENT is entered into by TOUCHFAX INFORMATION SYSTEMS, INC., a Kansas corporation ("TouchFax"), TOUCHFAX INFORMATION SYSTEMS CANADA, INC., a Canadian corporation ("TFC") and MEDIATEL, DIVISION OF BELL CANADA, a FEDERAL corporation ("Licensee"), as of the date executed by Licensee (the "Effective Date").

RECITALS

A. TouchFax is a manufacturer of public access facsimile, communication and information retrieval terminals which offer an array of Services provided through computer software developed, acquired and/or made available by TouchFax.

B. Licensee has entered into an Equipment Purchase Agreement of even date herewith ("Purchase Agreement"), pursuant to which Licensee will acquire terminals from TouchFax. In order to permit the terminals to offer Services to End Users, the parties desire to provide for a limited license to Licensee of TouchFax's proprietary computer software.

C. Licensee may desire to offer its own Services to End Users of terminals, and TouchFax is willing to undertake the development of computer software to enable terminals to perform the functions contemplated by such Services.

D. TFC is 40%-owned by TouchFax and is a licensee in Canada with right of sublicense of certain intellectual property of TouchFax. TFC shall serve as TouchFax's agent in Canada in connection with this Agreement.

AGREEMENT

Now therefore, in consideration of the foregoing and the mutual promises and covenants contained herein, the parties hereto agree as follows:

ARTICLE I - DEFINITIONS

1.1 "Designated Hardware" shall mean the magnetic credit, charge or debit card-activated, public-access facsimile, communication and information retrieval terminals (a) manufactured by or on behalf of TouchFax, (b) acquired by Licensee pursuant to the Purchase Agreement and (c) on which the Licensed Software shall operate. The site location of each unit of Designated Hardware is listed on Schedule A attached hereto. Licensee shall notify Licensor of any change in location of any Designated System not later than 10 days after such change.

1.2 "Designated System" shall mean, collectively, the Licensed Software and Designated Hardware.

1.3 "End User" shall mean any person who commences a transaction on or makes any use of a Designated System to obtain or communicate information or Services.

1.4 "LPS Software" shall mean one or more computer software programs developed by TouchFax for the purpose of enabling Designated Systems to perform the functions contemplated by Licensee Proprietary Services. Each LPS Software program shall constitute Licensed Software, as defined in Section 1.5. Except as otherwise provided herein, TouchFax shall have the same rights with respect to all LPS Software as TouchFax has under this Agreement with respect to the Licensed Software. It is understood and agreed that Licensor has no ownership of or interest in any offsite or ex-terminal computer software programs of Licensee.

1.5 "Licensed Software" shall mean applications computer programs recorded in object code (i.e., machine readable) form only that are owned, made, developed, created, licensed and/or made available by or to TouchFax and are furnished to Licensee hereunder. For purposes of this Agreement, Licensed Software shall include any and all enhancements, modifications, improvements, conversions, updates, additions, new releases and all related supporting documentation of the Licensed Software, but shall not include the Source Code, as defined in Section 1.10 hereof. It is understood and agreed that Licensor has no ownership of or interest in any offsite or ex-terminal computer software programs of Licensee.

1.6 "Licensee Proprietary Services" shall mean communication, information or interactive Services which are offered by Licensee or created specifically for Licensee by parties other than TouchFax or TFC during the term of this Agreement. Licensee Proprietary Services are distinguished from the LPS Software, which will be designed to enable Designated Systems to perform the functions contemplated by Licensee Proprietary Services.

1.7 "Licensor" shall mean, jointly, TouchFax and TFC. Where this Agreement refers to the Licensed Software or other intellectual property of Licensor, TouchFax shall be deemed to be the owner or licensee and TFC shall be deemed to be a licensee or sublicensee, respectively, of the Licensed Software or such intellectual property.

1.8 "Licensor's Trademarks" shall mean any and all existing and future trademarks, service marks, trade names, trade dress and/or "get-up" of Licensor, whether or not registered by Licensor, and all goodwill of the business related thereto, including but not limited to the trademarks/trade names "TouchFax," "TouchFax Information Systems," "TouchNet" and "Stay in Touch with the World," and all logos and symbols used in connection therewith.

1.9 "Services" shall mean, collectively, Licensee Proprietary Services and TouchFax Services, or any one or more of them, as the context shall imply.

1.10 "Source Code" shall mean one or more source codes that relate to the Licensed Software, in original human readable text or programming language, regardless of the media or manner of recordation or storage.

1.11 "Territory" shall mean all provinces and territories of Canada.

1.12 "Third Party Licensor" shall mean any entity from which TouchFax obtains a license or other right to offer any TouchFax Service which was not originally developed by TouchFax.

1.13 "TouchFax Button" shall mean an electronic touch screen "button" through which End Users may access one or more TouchFax Services. Each Designated System shall prominently feature a TouchFax Button during the term of this Agreement unless otherwise agreed by Licensor.

1.14 "TouchFax Services" shall mean all communication, information or interactive services currently offered by TouchFax or which are created by or licensed to TouchFax during the term of this Agreement. A list of all TouchFax Services currently offered or presently contemplated by TouchFax is attached as Schedule B to this Agreement. Licensee acknowledges that not all TouchFax Services listed on Schedule B are available as of the date of this Agreement, and no representation is made that any TouchFax Service not currently available will subsequently become available. Certain TouchFax Services are licensed to TouchFax by Third Party Licensors. Licensee shall be eligible to obtain and offer to End Users any TouchFax Service offered by TouchFax to its other licensees during the term of this Agreement; however, TouchFax

shall not be obligated to make available to Licensee any TouchFax Service which TouchFax does not then offer to any other licensee.

1.15 "TouchNet System" shall mean TouchFax's management system for the remote communication of system usage data and the performance of software uploads/downloads. Use of the TouchNet System shall be required in connection with the operation of Designated Systems. Licensee shall have the option to acquire a limited license to operate the TouchNet System or to designate TFC to operate the TouchNet System in connection with this Agreement. Either arrangement shall be for compensation and shall be governed by separate written agreement.

1.16 "Transaction Fee" shall mean the wholesale access cost assessed by Licensor for certain TouchFax Service transactions commenced by End Users. For instance, "Funny Bone Fax" is a TouchFax Service made available on a consignment basis by Licensor. When End Users access the Funny Bone Fax Service, Licensor will assess a wholesale price for each billable transaction, which shall be billed to Licensee as a Transaction Fee. Any costs or royalties owed by Licensor to third parties on account of TouchFax Service transactions for which Transaction Fees are payable will be paid by Licensor from the Transaction Fees. From time to time during the term of this Agreement, Licensor will provide written notice of those TouchFax Services for which Transaction Fees are payable and the amount of the Transaction Fees. Services which bear Transaction Fees shall also be figured into the computation of "Gross Revenues" under Section 4.1.1 of this Agreement.

ARTICLE II - LICENSE AND TITLE

2.1 License.

2.1.1 TouchFax Services. Subject to the terms and conditions of this Agreement, Licensor grants to Licensee under all of Licensor's intellectual property rights (including patents and copyrights owned or controlled by TouchFax) and Licensee accepts, a perpetual (subject to the terms of this Agreement), non-exclusive and non-transferable license to use the Licensed Software anywhere in the Territory for the purpose of offering TouchFax Services to End Users of Designated Systems.

2.1.2 LPS Software. Subject to the terms and conditions of this Agreement, Licensor grants to Licensee under all of Licensor's intellectual property rights (including patents and copyrights owned or controlled by TouchFax) and Licensee accepts, a perpetual (subject to the terms of this Agreement) exclusive and non-transferable license to use any LPS Software

developed under Article III hereof anywhere in the Territory for the purpose of offering Licensee Proprietary Services to End Users of Designated Systems. Notwithstanding TouchFax's ownership of all LPS Software as referred to in Section 2.2, Licensors shall not use for its own account any LPS Software in its original form which was developed specifically hereunder in connection with a Licensee Proprietary Service, nor license or permit any other party to use the same, whether or not for compensation, without the prior written consent of Licensee. Licensee acknowledges that certain TouchFax Services may perform the same or similar functions as certain Licensee Proprietary Services. TouchFax may use and exploit for its own account or license to others (and TFC may sublicense to others) any TouchFax Service, whether or not the same is similar or identical to any Licensee Proprietary Service, and may develop, create, sell, lease, exploit, utilize and/or license any computer software in connection therewith (and TFC may sublicense the same), provided such computer software is not the actual LPS Software which was developed under Article III of this Agreement. In addition, TouchFax shall be free to use, license and otherwise exploit (and TFC may sublicense) elements or components of any LPS Software developed hereunder, and may use, license and exploit (and TFC may sublicense) concepts, ideas, methods or processes which were utilized in the development of or which are embodied by any LPS Software.

2.2 Title. The Licensed Software (including LPS Software), all intellectual property rights therein, all goodwill of the business arising thereunder and all copyrights, patents and other protections applicable thereto, are proprietary to and shall be and remain the sole property of TouchFax, subject only to the rights of Third Party Licensors, the sublicense rights of TFC, and the covenants contained in Section 2.1.2 hereof. Licensee shall acquire no right, title, interest or claim whatsoever in any of the Licensed Software, other than the limited license contemplated hereby. All applicable common law and statutory rights in the Licensed Software, including but not limited to rights in confidential materials, trade secrets, Source Codes, object codes, trademarks, service marks, patents, copyrights, license rights and all other property rights, shall be and shall remain the sole property of TouchFax.

ARTICLE III - DEVELOPMENT OF LPS SOFTWARE

3.1 Development Request. In the event Licensee desires to make any Licensee Proprietary Service available to End Users, Licensee shall deliver to TouchFax a written request ("Development Request") that TouchFax develop LPS Software for the purpose of

enabling Designated Systems to perform the functions contemplated by that Licensee Proprietary Service. If TouchFax accepts the Development Request, it will be obligated to develop and deliver the LPS Software identified therein. The Development Request shall contain a description of the Licensee Proprietary Service for which the LPS Software is to be developed, together with such other information as the parties deem desirable. The delivery of a Development Request relative to any LPS Software shall constitute an undertaking by Licensee to provide TouchFax with all data, specifications and assistance reasonably required by TouchFax to develop the LPS Software.

3.2 Development Protocol. Following receipt by TouchFax of a Development Request, TouchFax and Licensee shall agree to a protocol ("Protocol") for the development, testing and delivery of the LPS Software contemplated by the Development Request. The Protocol shall be in writing and shall specify the functions to be performed by the LPS Software, the estimated development schedule, the assistance and information to be provided by Licensee, test protocols, delivery and installation terms, and other matters deemed desirable by TouchFax and Licensee. Each Protocol shall be attached as a Schedule to this Agreement. The Protocol shall constitute a guide for the development of the LPS Software identified therein, but shall not constitute a contractual agreement unless otherwise specifically stated in the Protocol. TouchFax shall use its best efforts to conform to the development schedule contained in the Protocol, but shall not be subject to penalty or debit arising from any nonconformity with the schedule unless otherwise agreed in the Protocol.

ARTICLE IV - COMPENSATION

4.1 Royalties.

4.1.1 Royalty on Compensated Uses. Licensee shall pay an ongoing, continuous Royalty in connection with all uses of Designated Systems for compensation in an amount equal to the percentage of Gross Revenues identified in Schedule C attached hereto. For purposes of this Agreement, "Gross Revenues" shall mean and include the gross amount, computed in U.S. Dollars, of all debit-card charges, credit-card charges, fees, electronic transfers, long distance telephone charges, facsimile charges, advertising fees, and all other debits, charges, fees, receipts, revenues and receivables accrued by Licensee, its agents, subsidiaries or assigns, for all uses of, transactions on, Services provided through, information acquired or communicated through, advertising displayed on and all other uses of Designated Systems, whether or not such revenues are actually collected by Licensee, less sales and

use taxes collected from End Users and bona fide credits and refunds given by Licensee in accordance with Section 5.3 hereof.

4.1.2 Royalty on Uncompensated Uses. In the event any Services are made available through or uses made of Designated Systems without compensation or on a non-revenue generating basis, Licensee shall pay Licensor an ongoing, continuous Royalty on such transactions at a rate equal to (a) an access charge equal to U.S. \$.25 for up to the first five minutes of End User access and U.S. \$.05 per minute thereafter, or (b) such Royalty as agreed upon by Licensor and Licensee in writing.

4.1.3 Minimum Annual Royalty. Notwithstanding any other provision of this Article IV, Licensee shall pay Licensor a Minimum Annual Royalty each year during the term of this Agreement in the amount of U.S. \$155 for each Designated System owned by Licensee at any time during such year. For purposes of this Agreement, a Designated System will be deemed "owned by Licensee" during any year if it was acquired by or for the account of Licensee, by purchase, lease or otherwise, at any time between the Effective Date of this Agreement and December 31 of that year, whether or not such System has been subsequently transferred or relocated by Licensee, and regardless of the volume of use of such System. Commencing December 31, 1993 and continuing each succeeding December 31 during the term of this Agreement, Licensee shall pay Licensor the amount by which all Royalties paid during the year ending on such December 31 are exceeded by the Minimum Annual Royalty applicable to that year. Provided, in the event this Agreement expires or terminates prior to December 31 in any year, the Minimum Annual Royalty shall be payable in full for that year on the basis of Designated Systems deemed owned by Licensee during such partial year.

4.2 Transaction Fees. Licensor shall be entitled to assess, and Licensee shall pay, Transaction Fees for the commencement by End Users of TouchFax Services for which Licensee is notified that Transaction Fees are payable hereunder.

4.3 Programming Charges and Expenses.

4.3.1 TouchFax shall be compensated for development of LPS Software at the rate of U.S. \$75 per hour for all time spent by employees and/or contractors of TouchFax engaged in such development ("Programming Charges"). All development time shall be recorded in quarter hour increments. Programming Charges shall be subject to increase not more often than once each calendar year upon prior notice by TouchFax to Licensee. There shall be no minimum or maximum

Programming Charge for any LPS Software development project unless otherwise agreed by TouchFax.

4.3.2 In addition to Programming Charges, Licensee shall reimburse TouchFax for all reasonable out-of-pocket expenses incurred by TouchFax in the development of LPS Software, including travel expenses, long distance telephone charges, facsimile charges and materials, but not including overhead unless otherwise agreed by Licensee. Provided, major expenses such as air travel must be approved in advance to qualify for reimbursement.

ARTICLE V - BILLING AND PAYMENT

5.1 Billing File; Invoice. In the event Licensee has acquired a license to operate and is operating the TouchNet System, not later than ten days after the end of each calendar month during the term of this Agreement, Licensee shall deliver to TFC a diskette containing Licensee's complete billing file for all Services provided and advertising displayed during the previous month on each Designated System (identified by serial number, location or other identifiable format). Such diskette shall contain the same information Licensee delivers to its billing entity and shall be in sufficient detail, together with any other information required by TFC, to permit TFC to compute Transaction Fees and Royalties payable for that month in accordance with Article IV hereof. TFC shall thereupon prepare and forward to Licensee a written statement for all Transaction Fees and Royalties due on account of Services provided and advertising displayed during that month, together with all Programming Charges and expenses incurred during that month. In the event the information contained in Licensee's billing file is insufficient to permit TFC to accurately compute Transaction Fees or Royalties, Licensee shall provide TFC with any additional information reasonably required for that purpose. In the event the TouchNet System is operated by TFC, TFC shall generate such statements from its own database, together with any information of Licensee deemed necessary or desirable by TFC for such purpose, which Licensee agrees to provide.

5.2 Confidentiality. Licensee's billing information shall be covered by the confidentiality provisions of Article VIII hereof. Licensors shall make no use of any such information other than to compute Transaction Fees and Royalties payable by Licensee and fees payable to Third Party Licensors.

5.3 Payment.

5.3.1 All Transaction Fees, Royalties, Programming Charges and expenses shall be paid in full by Licensee to TFC for the account of Licensor within 30 days after the date of each statement. Provided, Licensee may deduct from each payment any bona fide credits given to End Users during the month covered by the statement and substantiated in writing to TFC. For purposes hereof, "bona fide credits" shall be limited to credits or refunds issued to End Users on account of any failure of a Designated System to perform satisfactorily or pursuant to a credit or refund policy of Licensee approved in advance by Licensor, and shall not extend to any credits or refunds given as an incentive to End Users or given for the purpose of making any Service non-revenue-producing.

5.3.2 All payments by Licensee hereunder shall be accompanied by payment in full of all local, provincial and federal sales, use, goods and services, and other taxes and assessments owed by Licensee or which Licensor is required to collect from Licensee and pay to governmental authorities on account of amounts payable hereunder.

5.4 Late Penalty Charges; Breach. In the event any Transaction Fees, Royalties, Programming Charges or expenses remain due and unpaid in excess of 30 days after the date of any statement therefor, the same shall bear a late penalty charge of 1.5% per month (18% per annum simple interest) until fully paid. Licensee shall be deemed to be in material breach of this Agreement in the event any statement for Transaction Fees, Royalties, Programming Charges or expenses is not paid in full (subject to credits permitted under Section 5.3) within 60 days after the due date.

5.5 Method of Payment.

5.5.1 All payments hereunder by Licensee shall be made in United States Dollars by bank cheque or wire transfer in immediately available funds.

5.5.2 Acceptance and endorsement by TouchFax or TFC of any instrument for less than the full amount due hereunder shall not be deemed an acceptance of payment in full, and any conditions to the contrary in Licensee's documentation or payment shall not be binding on TouchFax or TFC.

5.6 Audit. All records and accounts of Licensee which are reasonably required for determining the amount of payments due under this Agreement shall be subject to audit by an independent auditor employed by TFC not more often than once each year during normal business hours, upon five business days' prior written

notice. Licensee shall cooperate in any such examination and produce, at Licensee's place of business specified on the signature page hereof or at any other mutually acceptable place, those records reasonably requested by the auditor. If, as a result of such audit, it is determined Licensee's payments hereunder were understated by a factor of greater than 2 $\frac{1}{2}$, then Licensee shall pay the cost of the audit in addition to any such deficiency so determined. Such payments shall be made within 30 days after delivery of the auditor's report. If it is determined Licensee overpaid any amounts hereunder, such excess shall be reimbursed by Licensor (in a form other than by credit) within 30 days after delivery of the auditor's report making such determination.

ARTICLE VI - DELIVERY AND INSTALLATION

6.1 Unless otherwise agreed in writing by the parties, the Licensed Software, in object code form only, shall be installed by Licensor or its designee as part of and delivered to Licensee with each unit of Designated Hardware. Delivery and installation of LPS Software shall be in accordance with the mutual agreement of Licensor and Licensee. Licensee shall give Licensor written notice of the location (name of facility, street address, city and state or province and country) and serial number of each Designated System acquired by Licensee in order to enable Licensor to maintain a current Schedule A, and shall give Licensor written notice of a change in location of any Designated System not less than 10 days after such change.

ARTICLE VII - WARRANTY

7.1 Warranty. Licensor warrants that for a period of one year from the date of delivery of a Designated System and from the date of delivery of any new release of the Licensed Software to Licensee or a location specified by Licensee, Licensor shall, upon written notice from Licensee, use reasonable efforts to correct any error or defect which prevents the Licensed Software from operating in conformity with the documentation provided by Licensor or from meeting Licensor's standard applicable specifications. THE FOREGOING WARRANTY IS EXPRESSLY CONTINGENT UPON LICENSEE'S PROPER USE OF DESIGNATED SYSTEMS IN ACCORDANCE WITH LICENSOR'S SPECIFICATIONS AND DOCUMENTATION AND ALL APPLICABLE LAWS AND REGULATIONS. THE FOREGOING WARRANTY SHALL NOT APPLY IF A DESIGNATED SYSTEM FAILS TO PERFORM DUE TO MODIFICATIONS MADE IN THE LICENSED SOFTWARE OR THE DESIGNATED HARDWARE BY OR ON BEHALF OF LICENSEE OR BY LICENSOR PURSUANT TO SPECIFICATIONS SUPPLIED BY LICENSEE, OR DUE TO ACCIDENT; NEGLIGENCE; MISUSE; FAILURE OF

ELECTRICAL POWER, AIR CONDITIONING OR HUMIDITY CONTROL;
TRANSPORTATION; OR ANY CAUSE OTHER THAN ORDINARY USE.

LIMITATION OF WARRANTY

THE ABOVE IS A LIMITED WARRANTY AND IS THE ONLY WARRANTY MADE BY LICENSOR WITH RESPECT TO THE LICENSED SOFTWARE AND NO OTHER REPRESENTATION, WARRANTY OR CONDITION WITH RESPECT TO THE LICENSED SOFTWARE IS MADE BY LICENSOR. LICENSEE ACCEPTS ALL LICENSED SOFTWARE "AS IS" WITH ALL FAULTS AND WITHOUT ANY OTHER WARRANTY OR CONDITION OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY, QUALITY AND FITNESS FOR A PARTICULAR PURPOSE AND THOSE ARISING BY STATUTE OR OTHERWISE IN LAW OR FROM A COURSE OF DEALING OR USAGE OF TRADE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED.

7.2 Infringement Liability. Provided Licensee gives Licensor prompt written notice of a claim or potential claim under this Section 7.2 together with all evidentiary assistance reasonably required by Licensor, and Licensor is given complete control of the defense thereof, Licensor agrees to defend at its expense any claim brought against Licensee to the effect that Licensee's proper use of the Licensed Software in the form delivered to Licensee and in accordance with the terms of this Agreement infringes any copyright, patent or trade secret in which the complaining party has a lawful interest, and Licensor shall, with respect to any such claims pay the amount of any costs and damages finally awarded against Licensee after exhaustion of all appeals, if any.

7.3 Limitation of Liability. Except as provided in Section 7.2 hereof, Licensor's total liability for all claims of any kind arising out of or relating to this Agreement or any breach hereof by Licensor, whether in contract, tort (including but not limited to strict liability and negligence), warranty, or other legal or equitable grounds, shall be limited to money damages and the aggregate amount thereof shall in no event exceed an amount equal to all Royalties actually received by Licensor under this Agreement during the 12 month period immediately preceding the date on which the first such claim arose. Licensee shall not withhold payment of any Transaction Fees, Royalties, Programming Charges or expenses on account of any breach or alleged breach of warranty or of this Agreement by TouchFax or TFC, and all of the same shall continue to be due and payable notwithstanding any such breach or alleged breach.

EXCEPT AS PROVIDED IN SECTION 7.2 HEREOF, IN NO EVENT SHALL LICENSOR BE LIABLE TO LICENSEE FOR ANY ACTUAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS, ARISING OUT OF THIS AGREEMENT OR

ANY BREACH HEREOF BY LICENSOR, WHETHER IN CONTRACT, TORT OR FOR BREACH OF WARRANTY, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY PARTY OTHER THAN LICENSEE.

ARTICLE VIII - CONFIDENTIALITY

8.1 Confidential Information. As used herein the term "Confidential Information" means any and all data and information of or relating to the disclosing party (a) which the receiving party receives or of which it becomes aware or with which it comes in contact as a consequence of or in connection with this Agreement; (b) which has value to the disclosing party and is not generally known by its competitors; and (c) which is treated by the disclosing party as confidential. Provided, Confidential Information does not include any data or information which is already known to the receiving party at the time it is disclosed to the receiving party, or which before being divulged by the receiving party (i) has become generally known to the public through no wrongful act of the receiving party; (ii) has been rightfully received by the receiving party from a third party without restriction on disclosure and without, to the knowledge of the receiving party, a breach of an obligation of confidentiality running directly or indirectly to the disclosing party; (iii) has been approved for release by a written authorization of the disclosing party; (iv) has been disclosed pursuant to a requirement of a governmental agency or of law without similar restrictions or other protections against public disclosure, or is required to be disclosed by operation of law, provided the receiving party shall have first given written notice of such required disclosure to the disclosing party, made a reasonable effort to obtain a protective order requiring that the Confidential Information so disclosed be used only for the purposes for which disclosure is required, and taken reasonable steps to allow the disclosing party to seek to protect the confidentiality of the information required to be disclosed; (v) is independently developed by the receiving party without use, directly or indirectly, of any Confidential Information received from any other party hereto; or (vi) is furnished to a third party by the disclosing party without restriction on the third party's right to disclose the information. Confidential Information shall include, but shall not be limited to, information relating to, contained in or consisting of the disclosing party's business, intellectual property, ideas, concepts, notes, memoranda, products, processes, financial condition, source codes, object codes, trade secrets, commercial secrets, industrial secrets, work in process, research, developments, technology, methods, strategies, drawings, designs, computer software, patent applications, patents pending, and other similar information. Information shall be deemed to be treated as

confidential if it (A) has been reduced to tangible form and marked clearly and conspicuously with a legend identifying its confidential or proprietary nature; or (B) with respect to any oral presentation or communication, such information is denominated as confidential immediately before the oral presentation or communication; provided, the foregoing shall not be the exclusive means by which information shall be deemed Confidential Information. Confidential Information may include information disclosed to the disclosing party by a third party which the disclosing party is obligated to treat as confidential, and information disclosed to the receiving party which is confidential information of an affiliate of the disclosing party.

8.2 Preservation. Each party shall use the same care and discretion, but in no event less than reasonable care and discretion, to prevent unauthorized use, disclosure, publication or dissemination of the other parties' Confidential Information as it employs with similar information of its own.

8.3 Nonuse and Nondisclosure. No party hereto shall use for any purpose or distribute, disclose or disseminate to others any Confidential Information of the other parties without the express written consent of the disclosing party, except as specifically permitted in this Article VIII or as directly necessary in the performance of this Agreement.

8.4 Employees. Disclosure by any party hereto of the Confidential Information of any other party may be made only to employees, agents or independent contractors of the receiving party who are directly involved in performing under this Agreement, have a specific need to know such information, and have obligated themselves to hold such Confidential Information in trust and confidence or otherwise to comply with the restrictions in this Article VIII.

8.5 Materials. Within 10 days following receipt of a written request referring to this Article VIII from any party hereto, the other parties will deliver to the requesting party all tangible materials and all copies thereof containing or embodying any Confidential Information received from the requesting party (except as such information is incorporated in or used in conjunction with present or future products of the parties pursuant to a subsequent written agreement between the disclosing party and the receiving party), together with a certificate executed by an officer of the receiving party certifying that all such materials and all copies thereof in that party's possession have been delivered to the requesting party.

8.6 Effective Date. The covenants of confidentiality set forth herein will apply after the Effective Date to any

Confidential Information disclosed by the parties, whether prior to or after the Effective Date.

8.7 Proprietary Rights.

8.7.1 Licensee acknowledges the proprietary rights of Licensors in and to the Source Code and the Licensed Software, including but not limited to unpublished modifications of the Source Code and the Licensed Software, correspondence, private discussions and memoranda relating to technical matters pertaining to the Source Code and the Licensed Software, and all applications thereof and other supporting material and data, and further acknowledges that Licensors consider all of the same to be trade secrets, in that they involve processes and compilations of information which are secret, confidential and not generally known to the public and which are the product of Licensors' expenditure of time, effort, money and/or creative skills. No ownership interest in the Source Code, the Licensed Software, any of Licensors' Confidential Information, or any of Licensors' Trademarks or trade secrets is transferred or assigned to Licensee pursuant to this Agreement.

8.7.2 Licensee shall not, under any circumstances, directly or indirectly copy (other than a backup for each unit of Designated Hardware), decompile or reverse engineer all or any part of the Licensed Software or the Source Code.

8.7.3 Licensee shall not remove any copyright notice or trade secret legend from any copy of the Licensed Software or the Source Code, and Licensee shall not assert and shall not represent to any third party that it has any ownership rights in, or the right to sell, transfer or sublicense, the Licensed Software or the Source Code.

ARTICLE IX - TRADEMARKS

9.1 Trademarks. Licensee understands it is Licensors' intention that all Designated Hardware acquired by Licensee will be supplied with a plate no larger than three inches by two inches (3" x 2") bearing Licensors' Trademarks which shall be placed on the front of the Designated Hardware. Licensee shall not remove, conceal, alter or deface any of Licensors' Trademarks from or on the Designated Hardware or Licensed Software or remove, conceal, alter or deface any such plate. Licensee shall have no right to use or sub-license others the right to use Licensors' Trademarks unless otherwise agreed in writing by Licensors. Provided, Licensors grants Licensee a limited, non-exclusive, non-royalty-bearing license to reproduce the trademark "TouchFax" in advertisements and

other promotional materials relating to Designated Systems during the term of this Agreement, subject to the condition that Licensee shall include an appropriate trademark notice in any such materials indicating that Licensor's Trademarks are registered and/or owned by Licensor.

9.2 Third Party Trademarks. Licensee agrees that all trademarks, trade names and service marks of Third Party Licensors ("Third Party Trademarks") which are displayed on Designated Systems and related materials shall be entitled to the same protection afforded Licensor's Trademarks under Section 1.8 and this Article IX. Licensee shall comply with all specifications and guidelines of Licensor with regard to the use, display and promotion of Third Party Trademarks. All Third Party Trademarks displayed or utilized by Licensee shall be appropriately identified by ownership in accordance with such specifications and guidelines. Licensee shall not infringe any Third Party Trademark or engage in any conduct with regard to a Third Party Trademark which could cause TouchFax to be in default under any license agreement or other arrangement with a Third Party Licensor. Subject to the foregoing, Licensee shall have and is hereby granted a limited, perpetual (subject to the provisions of this Agreement), non-exclusive and nontransferable sublicense to utilize Third Party Trademarks in connection with the provision to End Users of TouchFax Services which are licensed to TouchFax by Third Party Licensors.

9.3 Registered User. Licensee shall cooperate with Licensor in making any and all filings necessary to designate Licensee as Registered User of Licensor's Trademarks and Third Party Trademarks in the Territory.

9.4 Company Name. Licensee shall not use the name TouchFax or any of Licensor's Trademarks in any corporate or fictitious name of Licensee, its subsidiaries, divisions or affiliates.

ARTICLE X - TERMINATION, INJUNCTIVE RELIEF AND ARBITRATION

10.1 Discontinuation of Use. The rights granted Licensee hereunder shall automatically terminate as to each package of Licensed Software when Licensee permanently discontinues use of the particular Designated System of which the Licensed Software was, prior to such discontinuation, a part. Provided, no such discontinuation shall adversely affect any of Licensor's rights under this Agreement, including its rights under Article IV, in the absence of termination of this Agreement.

10.2 Term and Termination. This Agreement shall continue in full force and effect until terminated by Licensee by giving 60

days' written notice to Licensor. This Agreement may be terminated by Licensor solely for cause, which shall be defined as (a) the bankruptcy, insolvency, dissolution, assignment for the benefit of creditors or cessation of business of Licensee, or (b) a material breach by Licensee of any of the provisions of this Agreement or the Purchase Agreement which is not cured to the reasonable satisfaction of Licensor within 30 days after the date of written notice from Licensor setting forth the nature of such breach. Upon expiration or termination of this Agreement for any reason, all licenses and sublicenses herein granted to Licensee shall immediately terminate and shall be of no further force or effect, and all Royalties, Transaction Fees and Programming Charges earned and expenses incurred by Licensor as of the date of termination shall be paid in full by Licensee within 30 days after the date of any statement(s) therefor from Licensor.

10.3 Return or Destruction. Within 30 days after expiration or termination of this Agreement for any reason, Licensee shall, at Licensor's request, destroy or deliver to Licensor all copies of the Licensed Software in the possession of Licensee or any of its subsidiaries, affiliates or customers anywhere in the world; immediately cease all further use of the Licensed Software and Licensor's Trademarks; and acknowledge by affidavit, if required by Licensor, that the Licensed Software and all related materials have been destroyed or returned to Licensor.

10.4 Injunctive Relief. Licensee acknowledges that any breach of the provisions of Article II, VIII or IX hereof could cause irreparable injury to Licensor which would not be fully compensable in damages. Accordingly, Licensor shall be entitled to obtain injunctive relief from a court of competent jurisdiction against any breach or threatened breach by Licensee of any such provisions, without the necessity of posting bond or proving lack of an adequate remedy at law. Provided, no receipt of injunctive relief by Licensor shall prevent Licensor from pursuing a claim for damages on account of any breach of this Agreement.

10.5 Arbitration. With the exception of an action for injunctive relief under Section 10.4 hereof, any dispute, controversy or claim arising out of or relating to this Agreement or any breach hereof shall be resolved by arbitration in accordance with the International Arbitration Rules of the American Arbitration Association ("AAA") effective May 1, 1991, as amended.

10.5.1 Unless otherwise agreed by the parties, the arbitration panel shall consist of three arbitrators, one to be appointed by Licensor and one to be appointed by Licensee, with the third to be appointed by the two arbitrators appointed by Licensor and Licensee. If either of the parties fails to appoint an arbitrator within 30 days after receipt of notice of an appointment by the other of its arbitrator, or if

the two arbitrators fail to appoint a third, then the AAA will have the power, at the request of either party, to make the appointment(s) which have not been made as contemplated above.

10.5.2 The arbitrators shall not have the power of amiables compositeurs. The arbitration proceedings shall be held in Johnson County, Kansas or Jackson County, Missouri unless otherwise agreed by the parties, and Licensee consents to the nonexclusive jurisdiction of any arbitration panel in either such location. Both parties shall be entitled to representation by counsel, to appear and present oral and written evidence and argument, to compel the testimony of witnesses and the production of documents, to obtain a written list of the other party's witnesses and documents prior to the hearing, and to examine and cross-examine witnesses. The substantive law governing this Agreement shall also govern the arbitration proceedings. The arbitration proceedings and the arbitral award shall be in the English language, with the cost of any translation to be paid by Licensee. The arbitral award shall be in writing and shall explain the reasons for the award. The arbitral award shall be final and binding on the parties. The expense of arbitration shall be shared equally by the parties unless otherwise decided by the arbitrators.

10.5.3 Each party agrees that final judgment on an arbitral award rendered against it in any action or proceeding relating to this Agreement shall be conclusive and may be enforced, to the extent permitted by applicable law, in any jurisdiction within or without the Territory or the United States by suit on the judgment, a certified copy of which shall be conclusive evidence thereof, or by such other means provided by applicable law.

10.6 Service of Process. Each party hereto irrevocably and unconditionally consents to service of process upon it in any proceeding brought pursuant to Section 10.4 or 10.5 hereof by mailing copies of any notice of pleadings thereof by registered mail, postage prepaid, return receipt requested, to it at its address specified on the signature page hereof. The foregoing shall not limit the right of any party to serve process in any other manner permitted by applicable law and shall not limit the ability of any party to bring any such proceeding or to obtain execution of any judgment rendered in any such proceeding in any other jurisdiction in which any other party hereto or any of its property or assets may be found.

ARTICLE XI - GENERAL

11.1 Independent Contractors. Nothing contained herein shall constitute Licensor and Licensee as partners, agents, joint venturers or in any capacity other than licensor and licensee of computer software and seller and purchaser of equipment, respectively. Licensor and Licensee are independent contractors. Neither shall have the right to bind or obligate the other in any manner whatsoever.

11.2 Publicity and Advertising. Licensor shall not use the name, logo or trademarks of Licensee in any press releases, business proposals, promotional literature, financial or annual reports or similar materials without Licensee's prior written consent. Provided, Licensor may identify Licensee in such materials and communications as a customer of Licensor without obtaining such authorization.

11.3 Assignment. This Agreement is personal to Licensee, and neither this Agreement nor any rights hereunder may be assigned by Licensee to any party without the express, written consent of Licensor, which may condition such consent on the financial condition and creditworthiness of the proposed assignee and such assignee's undertaking, in form and content satisfactory to Licensor, to comply with the terms and provisions of this Agreement. Provided, any party hereto may assign this Agreement in connection with a merger, consolidation, reorganization or sale of all or substantially all of the assets of the assigning party, provided the assignee agrees to be bound by the terms and provisions hereof. Any attempted assignment in contravention of this Section 11.3 shall be null and void.

11.4 Force Majeure. With the exception of Licensee's obligations under Article IV hereof, no party shall be liable to the others for delay or failure to perform any obligation hereunder due to an event of force majeure, including but not limited to acts of God or of the public enemy, fire, storm, flood, explosion, earthquake, hurricane, riots, wars, hostilities, civil commotion, strikes or labor disputes, interruption of supply, law or regulation, governmental action, or any other cause beyond the control of that party.

11.5 Survival. The provisions of Sections 1.4, 2.2, 4.1, 4.2, 4.3, 5.2, 5.3, 5.4, 5.5, 5.6, 7.3, 8.1., 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 9.2, 9.4, 10.2, 10.3, 10.4, 10.5, 10.6, 11.7, 11.8, 11.13, 11.14, 11.15 and 11.16 hereof shall survive expiration or termination of this Agreement.

11.6 Notices. Any notice or communication required or permitted to be given hereunder may be hand delivered or sent by

registered or certified mail, return receipt requested, or by facsimile transmission, to the address or facsimile number of the recipient as indicated on the signature page of this Agreement, or at such other address or facsimile number as may hereafter be furnished in writing by any party to the others, and such notice shall be deemed to have been given as of the date so delivered, mailed or sent.

11.7 Compliance with Law. Licensee shall obtain all governmental permits required in connection with and shall comply with all laws and ordinances in effect in the Territory applicable to this Agreement, the operation of Designated Systems and the provision of Services to End Users, and shall indemnify and hold Licensor harmless from any loss, cost, claim, demand, damage, expense and cause of action arising out of any failure to obtain any such permit or any violation by Licensee of any such law or ordinance.

11.8 Taxes. Licensee shall collect, pay and hold Licensor harmless from any and all taxes and levies assessed by any jurisdiction in the Territory on the provision of Services to End Users or the operation of Designated Systems, with the exception of income taxes payable by Licensor on revenue received hereunder.

11.9 Authority. Licensee represents and warrants to Licensor that this Agreement is valid and enforceable against Licensee under the laws in effect in all jurisdictions in the Territory. In the event this Agreement requires the approval of any governmental body or agency in any jurisdiction in the Territory, this Agreement shall be conditioned on such approval.

11.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which, taken together, shall constitute one and the same instrument.

11.11 Further Assurance. At the request of any party, each party shall execute and deliver such further instruments, documents, covenants, undertakings and assurances deemed necessary or desirable to implement the terms hereof.

11.12 Entire Agreement; Amendment. Together with the Purchase Agreement and all Schedules and Addenda to this Agreement, this constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior expression of intent or understanding, oral or written, with respect to the subject matter hereof, including but not limited to that certain Confidentiality Agreement dated July 27, 1992. Except as herein expressly provided to the contrary, the provisions of this Agreement are for the benefit of the parties hereto solely, and not for the benefit of any other person or legal entity. No waiver, alteration or modification of any of the provisions of this

Agreement shall be binding unless in writing and signed by a duly authorized representative of Licensors and Licensee.

11.13 Waiver. Any waiver of a failure or delay in performance hereunder shall be effective only if in writing and only in accordance with its terms. The waiver of one breach or default hereunder shall not constitute the waiver of any subsequent breach or default and shall not act to amend or negate the rights of the parties under this Agreement.

11.14 Governing Law; Language. This Agreement is subject to acceptance by TouchFax at its principal office in Lenexa, Kansas, U.S.A., and shall be governed by and construed in accordance with the laws of the state of Kansas, U.S.A. Provided, Licensors may elect that this Agreement be governed by the laws of Ontario or Quebec, Canada or Canadian federal law. The parties have required that this Agreement and all documents relating thereto be prepared in English. Les parties ont demandé que cette convention ainsi que tous les documents que s'y rattachent soient rédigés en anglais.

11.15 Indemnification. Licensee shall and does hereby indemnify Licensors and hold it harmless from any loss, cost, claim, demand, damage, expense and cause of action incurred by Licensors, TouchFax or TFC as a result of any breach by Licensee of any of the provisions hereof or any breach by Licensee of any agreement with End Users or others with respect to Designated Systems.

11.16 Authority. Each party represents and warrants to the others that the person executing this Agreement on its behalf has been duly authorized by all required corporate action to execute this Agreement on behalf of that party and to bind that party to the terms, provisions, representations, warranties and covenants herein contained.

11.17 Charges to End Users. Licensors shall have no control over the rates charged by Licensee to End Users for Services provided through Designated Systems.

11.18 Relationship Between TouchFax and TFC. In the event the relationship between TouchFax and TFC expires or terminates during the term of this Agreement, the term "Licensors" shall be limited solely to TouchFax, and all amounts otherwise payable by Licensee to TFC hereunder shall be paid directly to TouchFax in U.S. Dollars. No acceptance, consent or waiver of TFC shall be binding on TouchFax without the written consent of TouchFax.

11.19 Severability. If any one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any respect under any applicable statute, rule of law or public policy, then such provision shall be considered inoperable to the extent of such invalidity, illegality or unenforceability and the remainder

of this Agreement shall continue in full force and effect. The parties agree to replace any such invalid, illegal or unenforceable provision with a new provision which has the most nearly similar permissible economic effect.

11.20 Effective Date. This Agreement shall be effective as of the date signed by Licensee.

11.21 Headings. Headings are included in this Agreement as a matter of convenience only and shall not be controlling with regard to the interpretation of this Agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the dates set forth below.

TOUCHFAX INFORMATION SYSTEMS,
INC.

By: John C Massey

Name: John C MASSEY

Title: CHAIRMAN / CEO

Date: 92 - 9 - 22

Address: 15520 College Boulevard
Lenexa, KS, USA 66219

Fax: (913) 599-5588

"LICENSOR"

By: Colin Wright

Name: Colin WRIGHT

Title: Assoc. Dir. - Bus. Devel.

Date: SEPT 22, 1992

Address: 12 - 160 ELGIN ST
OTTAWA ONTARIO K1G 3J4

Fax: (613) 781-1453

"LICENSEE"

TOUCHFAX INFORMATION SYSTEMS
CANADA, INC.

By: Bruno Voyer

Name: Bruno Voyer

Title: President Directeur General

Date: Sept - 22, 1992

Address: 4, Notre-Dame, East, Suite 205
Montreal, QC H2Y 1B8

Fax: (514) 393-3395

"TFC"

SCHEDULE A
SITE LOCATIONS

W
R
JEM

SCHEDULE B
TOUCHFAX SERVICES

W
Be
JCM

TF Series Multi-Media Public Terminals

FAX SERVICES

Send & Receive a Fax

Users can send or receive fax messages easily by following the step-by-step video instructions that appear on-screen, and simply touching the appropriate video button.

Store and Forward

TF Series terminals can offer this service by automatically forwarding a fax document (at the user's request) to a central platform for later delivery. Users can be provided with an 800 number that allows them to call later and verify delivery of their fax. This means users are never faced with the need to wait on a busy fax number.

Fax Broadcast

TouchFax terminals also offer users fax broadcast capability. Fax documents can be sent to a central platform, along with the broadcast list, to be delivered according to user's instructions. Custom programming can allow the user the option of scheduling this delivery. Users can be provided with an 800 number that allows them to call later and verify delivery of their fax.

Fax Mailbox Access

Users can access their fax mailbox account easily through a customized interface on the TouchFax terminal. By simply touching a button, the terminals will auto-dial their access number, and allow the user to input any PIN numbers or security codes necessary.

COMMUNICATIONS SERVICES

Phone

Basic phone services are easily accessed from any TF Series terminal via an on-screen, touch sensitive keypad which allows users to dial their desired number in an ordinary manner.

Handwritten signatures and initials are present in the bottom right corner of the page.

E-Mail

TouchFax terminals offer easy access to major e-mail services through on-screen video buttons which allows users to select the services of their choice. TF terminals can be programmed to auto-dial the selected service and go into terminal mode.

Dataport

The TF Series dataport provides means for users to connect laptop computers for file transfers while away for the office.

Auto-Dial Access

This feature provides users with one touch easy access to a number of services, including: voice mail, audiotext and operator assistance.

Remote Database Access

TF Series terminals enable users to access remote databases. TF terminals can be programmed to auto-dial the selected service and go into terminal mode.

BUSINESS SERVICES

Copies

TouchFax terminals make plain-paper copies conveniently available through utilizing the flatbed scanner and laser printer.

Word Processing

On-screen word processing offers features that allow: typing and laser printing a letter, as well as the option of faxing a letter directly from the screen.

ENHANCED INFORMATION SERVICES

Advertising and Promotion

TouchFax terminals provide point-of-sale video advertising abilities. Video ads can be linked to documents that can be printed (free of charge) on demand, enabling coupons or special offers to be instantly delivered. Optionally, video ads can be linked to on-screen buttons, which auto-dial a specific number, allowing instant contact between a potential customer and a sales person.

Custom Forms

Basic word processing is enhanced with a variety of customizable forms, including: cover pages, purchase orders, invoices, etc. Users are able to type personal information into fields, and then print or fax the forms as they desire.

Funnybone Fax

This service provides a number of situation-specific humorous cartoons that can

Handwritten notes and signatures in the bottom right corner, including a checkmark, the initials "JBT", and a signature that appears to be "J. E. M.".

be customized by inserting the recipients name. These cartoons can be utilized as humorous fax cover pages or sent by themselves as greetings.

Personalized Flight Information

Supplied by Official Airline Guides, users can obtain a one page FlightFax report. This report is highly personalized, based on user defined departure times, destination cities, and other information (such as whether restricted fares are acceptable). A Flightfax report details available flight information, including fares, with the lowest fare highlighted.

Industry Specific News Updates

These one to two page industry news reports are updated daily with information pulled from a variety of news wire services by a nationally recognized publisher. They cover 18 different industries, including telecommunications, real estate, banking, advertising, etc. There are also daily reports available for Sports and International News.

Traveler Directions

This service delivers a printed report (via fax), giving point-to-point directions to travelers in unfamiliar cities. Users simply enter the telephone number of their current location, and the phone number of the desired destination. They can include up to twelve destinations. Reports are faxed within moments.

Travel Reports

Personalized reports for travelers, giving user selected information about cities they have chosen for the report. Information available includes: current weather, hotel and restaurant recommendations, and entertainment. Categories of interest can be selected for a customized report.

Business Book Summaries

These eight page summaries provide the a quick read of the most essential information in popular, best-selling business books.

Financial Markets Index

This product is a one-page faxed report giving real-time stock market information on up to forty securities—either for specific industries or customized to the user's input. The report can be transmitted within two minutes of request.

Newsletters

TouchFax has available a variety of business and travel-related newsletters by nationally recognized publishers. These publications are well suited to this unique form of fax delivery, being 4-8 pages in length and of proven interest to our target market.

Articles-on-Demand

TouchFax has available a selection of magazine articles arranged by topic, and provided by nationally recognized publishers. Users at TF Series terminals will be able to browse through topics, read abstracts of articles, complete with graphics and diagrams, and order those that interest them.

w
GF
JCM

SCHEDULE C
ROYALTY RATE

Number of Units

Percentage of Gross Revenues

10 - 250
251 - 500
500 +

7%
6%
5%

Based on cumulative lifetime purchases of Designated Systems.

W
G

SCHEDULE D

LICENSEE PROPRIETARY SERVICES

"INET 2000"

"Envoy 100"

"TRADE ROUTE"

"ALEX"

"Plus"

"THE NET"

"ENHANCED FAX"

CW
GJ
JEPH